## JUSTIFICATION AND APPROVAL FOR AN EXCEPTION TO FAIR OPPORTUNITY

1. Contracting Activity: Department of Veterans Affairs (VA)

Office of Acquisition Operations
Technology Acquisition Center
260 Industrial Way West
Eatontown, New Jersey 07724

- 2. <u>Description of Action</u>: The proposed action is for a firm-fixed-price (FFP) delivery order, to be issued under the National Aeronautics and Space Administration (NASA) Solutions for Enterprise-Wide Procurement (SEWP) IV Government Wide Acquisition Contract (GWAC), for the procurement of Hewlett-Packard (HP) hardware maintenance support. The period of performance for this proposed action is for 12 months with two 12-month option periods.
- 3. Description of the Supplies or Services: The Department of Veterans Affairs (VA) Office of Information Technology (OIT) Enterprise Systems and Engineering (ESE) has a requirement to purchase hardware maintenance support for VA-owned HP Systems Center Configuration Manager (SCCM) servers located in various locations throughout the VA enterprise. The SCCM System has been comprised of HP hardware since 2010 and as such, HP has provided maintenance and support services via previous and current contracts; renewal is required to ensure continuity of these services for the existing hardware. Ongoing support is required in order to provide the resources necessary for Information Technology (IT) service providers to deliver quality service and support that is both timely and efficient.
- 4. <u>Statutory Authority</u>: The statutory authority permitting an exception to fair opportunity is Section 41 U.S.C. 4106(c) as implemented by the Federal Acquisition Regulation (FAR) Subpart 16.505(b)(2)(i)(B), entitled, "Exceptions to the fair opportunity process", only one awardee is capable of providing the supplies or services required at the level of quality required because the supplies or services ordered are unique or highly specialized.
- 5. Rationale Supporting Use of Authority Cited Above: Based on extensive market research, as described in paragraph 8 of this document, the Government has determined that limited competition is available for the aforementioned brand name hardware maintenance support. Only HP brand name hardware maintenance support can meet the Government's requirements. HP hardware maintenance support provides a solution that is compatible with the existing system and with current business needs, and only HP, through its certified resellers on NASA SEWP IV GWAC has the technical knowledge, as well as research and development resources to support VA's HP hardware. To obtain any other brand name hardware maintenance support other than HP, would

- require hundreds of engineering hours to test and validate competing vendors' solutions (e.g. replacement parts compatibility) and this could compromise the integrity of the current system and potentially cause major system downtime, and would cost VA approximately \$2,051,000.00 to replace the servers.
- 6. Efforts to Obtain Competition: Market research was conducted, details of which are in the market research section of this document. This effort did not yield any additional sources that can meet the Government's requirements. It was determined however that limited competition is viable among authorized resellers for this brand name item. In accordance with FAR 5.301 and 16.505(b)(2), this action will be synopsized at award on the Federal Business Opportunities Page (FBO) and the justification will be made publicly available.
- 7. <u>Actions to Increase Competition</u>: The Government will continue to conduct market research to ascertain if there are changes in the market place that would enable future actions to be competed.

